

## **REMARKS**

Applicants reply within three months to the Office Action dated February 4, 2010. Claims 1-17, 19 and 20 are pending in the application and the Examiner rejects claims 1-17, 19 and 20. Support for the amendments may be found in the originally-filed specification, claims, and figures. No new matter is entered with these amendments. Applicants assert that the application is in condition for allowance and reconsideration of the pending claims is requested.

### **§103 Rejections**

The Examiner rejects claims 1-7, 9-12, 14, 19, and 20 under 35 U.S.C. §103(a) as being unpatentable over Seidman et al., U.S. Patent No. 6,671,358 (“Seidman”) in view of Johnson, Jr., U.S. Patent No. 6,185,307 (“Johnson”), and further in view of Atalla, U.S. Patent No. 4,268,715 (“Atalla”). Furthermore, the Examiner rejects claims 8 and 13 under 35 U.S.C. §103(a) as being unpatentable over Seidman, in view of Johnson, in further view of Atalla, and in further view of Official Notice. Claims 15 and 16 stand rejected under 35 U.S.C. §102(e) as being unpatentable by Johnson in view of Atalla.<sup>1</sup> The Examiner rejects claim 17 under 35 U.S.C. §103(a) as being unpatentable over Johnson, in view of Seidman, and further in view of Atalla. Applicants respectfully disagree with the rejections, but Applicants amend the claims in order to clarify the patentable subject matter.

In the Response to Arguments, the Examiner “disagrees with Applicants’ remark that ‘Johnson teaches against providing the random number generator on the transaction device itself, as its system relies on three independent subsystems to obtain a secure transaction’” (Office Action, p. 14). For support, the Examiner cites numerous portions of Johnson that refer to the POS device 200 having a random number generator. The source of the disagreement between the Examiner and the Applicants resides in whether POS device 200 of Johnson should be considered a transaction device, as used in the claims.

Applicants assert that the RFID reader of claim 2 of the presently pending claims corresponds to the POS device 200 of Johnson. Furthermore, Applicants assert that the RFID transaction device of the presently pending claims corresponds to the remote communication unit 100 (“tag”) of Johnson (Johnson, col. 5, ln. 52). “Remote communication units 100 are adapted to communicate with and through the POS device 200 in order to obtain authorization and

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<sup>1</sup> Applicant assumes the Examiner intended to reject claims 15 and 16 under 35 U.S.C. §103(a), and as such the rejection will be addressed under this section.

communicate information to and from the host network 300.” This relationship is illustrated by Figure 2B of Johnson, showing the POS device 200 communicates with a transponder (remote communication unit 100).

In Johnson, a POS device can generate a random number and send it to a tag unit, such as a transaction card or a key tag, and to a host network. The tag unit then encrypts the random number and returns it to the POS device together with the ID of the tag. “The tag 100 encrypts the random number and returns the encrypted random number (TRN) to the POS device 200 along with a tag identification number (ID)” (col. 10, ln. 41-44). In other words, the TRN is not generated by a random number generator located on the transaction device, but is rather based upon a random number supplied by the POS device 200.

Additional details that support this include that “a new tag random number (TRN) is generated by performing another tag authentication cycle using a new random number (CRN) generated by the POS device 200. Requesting a tag authentication cycle produces a new tag random number (TRN) regardless of how many times it has been used. Note that the tag authentication cycle or process uses the encrypt random number command, the third command listed in FIG. 8, to encrypt the random number (CRN) received from the POS device 200” (col. 13, ln. 61 – col. 14, ln. 4). **Applicants contend that the tag 100 does not contain a random number generator, and that Johnson teaches away from having a random number generator on the tag 100 by transmitting a random number (CRN) from the POS device 200.**

With regards to the other references, the Examiner states that Seidman does not explicitly disclose a transaction device random number generator for generating a transaction device random number (Office Action, p. 3). In turn, Atalla does not disclose any RF communications and is not combinable with Seidman and Johnson. Furthermore, since Attala does not disclose RF communications, it also follows that Attala does not disclose a random number generator on a transaction device.

Thus, neither Johnson, Seidman nor Atalla, whether taken individually or in combination, disclose or contemplate at least “[a] system for securing a radio frequency (RF) transaction, the system comprising: a radio frequency identification (RFID) transaction device operable to send an RF transmission, the transaction device including: a database for storing a transaction device identifier and a transaction device authentication tag, wherein the transaction device identifier is

different from the transaction device authentication tag, **a transaction device random number generator for generating a transaction device random number, the transaction device random number generator being located at the transaction device**, and a transmitter operable to transmit the transaction device identifier, the transaction device authentication tag, and the transaction device random number; **wherein the transaction device is operable for transmitting, to a RFID reader, both the transaction device identifier and the transaction device authentication tag for validation,**” (emphasis added) as recited in independent claim 1.

Similarly, none of the cited references disclose or contemplate at least “[a] method for securing a transaction comprising: providing a radio frequency identification (RFID) transaction device”, **“the transaction device including a random number generator”** and **“transmitting the transaction device identifier, the transaction device authentication tag, and the transaction device random number to a RFID reader;”** (emphasis added) as recited in independent claim 15.

Moreover, none of the cited references disclose or contemplate at least **“the transaction device including a random number generator located at the transaction device”** and **“generating a transaction device random number at the transaction device”** (emphasis added) as recited in independent claim 17.

Claims 2-14, 16, 19 and 20 variously depend from independent claims 1, 15, and 17, therefore dependent claims 2-14, 16, 19 and 20 are differentiated from the cited references for at least the same reasons as set forth above, as well as in view of their own respective features.

When a phrase similar to “at least one of A, B, or C” or “at least one of A, B, and C” is used in the claims or specification, Applicant intends the phrase to mean any of the following: (1) at least one of A; (2) at least one of B; (3) at least one of C; (4) at least one of A and at least one of B; (5) at least one of B and at least one of C; (6) at least one of A and at least one of C; or (7) at least one of A, at least one of B, and at least one of C.

In view of the above remarks, Applicants respectfully request withdrawal of all rejections of the pending claims. The Examiner is invited to telephone the undersigned at the Examiner's convenience, if that would help further prosecution of the subject application. The Commissioner is authorized to charge any fees due to Deposit Account No. 19-2814.

Respectfully submitted,

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